

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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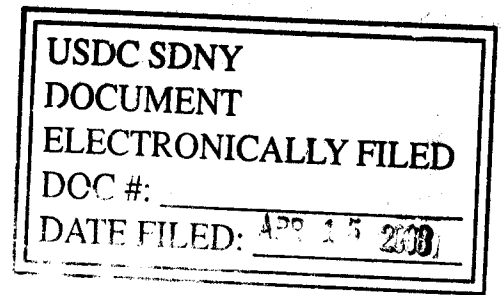
UNITED STATES OF AMERICA

- v. -

PETER LIU,  
a/k/a "Kang Tai Liu,"

Defendant.

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**INFORMATION**

S1 07 Cr. 1214 (RPP)

**COUNT ONE**

**(Conspiracy to Commit Export Smuggling)**

The United States Attorney charges:

**Background**

1. At all times relevant to this Information, Yen Ching Peng, a/k/a "Yen-Po Peng," a/k/a "Alex Peng," a co-conspirator not named as a defendant herein, resided in Taiwan and worked for a company engaged in, among other things, the business of reverse-engineering technology, including military technology.

2. At all times relevant to this Information, PETER LIU, a/k/a "Kang Tai Liu," the defendant, resided in the United States and worked as a flight attendant, often on flights to Asia and Europe.

3. By statute, the President of the United States is authorized to control the import and export of military items and technology, and as part of that authorization, is authorized to

designate those items that are "defense articles" and "defense services," which items are subject to import and export restrictions. Such items designated by the President constitute the United States Munitions List ("Munitions List"). Among other things, exporters of Munitions List items must obtain licenses and submit registrations under Title 22, United States Code, Section 2778 and the regulations promulgated under that statute. The Munitions List is maintained and administered by the United States Department of State, Directorate of Defense Trade Controls.

4. Variable Intensity Tactical Aiming Lasers, Version 2 ("VITAL-2s"), ATILLA Tactical Aiming Lasers, and AN/PEQ-2As are weapons-mounted infrared laser aiming devices. They are primarily manufactured under contract with the United States Department of Defense ("DoD") for military use in conjunction with night-vision equipment. Some are also sold to law enforcement agencies. These devices project on a target an infrared laser beam that cannot be seen with the naked eye, but can be seen with night vision equipment.

5. JHMCS, or Joint Helmet Mounted Cueing System, is a fighter pilot's helmet and associated technology manufactured, primarily under contract with DoD, solely for military use. Among other things, JHMCS permits a fighter pilot to accurately direct (cue) onboard weapons against enemy targets while

performing high-gravity aircraft maneuvers.

6. AN/PAS-13B Heavy is a thermal weapon sight manufactured primarily under contract with DoD for military use. This device facilitates target acquisition and surveillance in low-light conditions by detecting and visually displaying heat sources.

### **The Scheme**

7. From at least in or about July 2006 through on or about December 11, 2007, in the Southern District of New York and elsewhere, PETER LIU, a/k/a "Kang Tai Liu," the defendant, Yen Ching Peng, a/k/a "Yen-Po Peng," a/k/a "Alex Peng," and others known and unknown, engaged in a scheme illegally to export United States military technology designated and subject to export controls by the President of the United States through the United States Munitions List. Among the items the defendants sought to purchase and export from the United States to Taiwan were Variable Intensity Tactical Aiming Lasers, Version 2, AN/PEQ-2A weapons-mounted infrared laser aiming devices, ATILLA Tactical Aiming Lasers, a JHMCS fighter pilot helmet and its associated technology, and an AN/PAS-13B Heavy thermal weapon sight.

8. In furtherance of their Munitions List items export scheme, PETER LIU, a/k/a "Kang Tai Liu," the defendant, Yen Ching Peng, a/k/a "Yen-Po Peng," a/k/a "Alex Peng," and others known and unknown, concealed and misrepresented the

military nature and value of the items they exported and caused to be exported, by, among other things, making and causing to be made false statements to United States Customs and Border Protection and the United States Postal Service regarding the contents of packages exported from the United States to Taiwan.

**Statutory Allegation**

9. From at least in or about July 2006 through on or about December 11, 2007, in the Southern District of New York and elsewhere, PETER LIU, a/k/a "Kang Tai Liu," the defendant, and Yen Ching Peng, a/k/a "Yen-Po Peng," a/k/a "Alex Peng," together with others known and unknown, unlawfully, wilfully, and knowingly, did combine, conspire, confederate, and agree together to defraud the United States and agencies thereof, to wit, United States Customs and Border Protection and the United States Postal Service, and to commit offenses against the United States, to wit, violations of Title 18, United States Code, Section 554.

**Object of the Conspiracy**

10. It was a part and an object of the conspiracy that PETER LIU, a/k/a "Kang Tai Liu," the defendant, and Yen Ching Peng, a/k/a "Yen-Po Peng," a/k/a "Alex Peng," together with others known and unknown, unlawfully, willfully, knowingly, and fraudulently would and did export and send, and attempt to export and send, from the United States, merchandise, articles, and objects contrary to a law and regulation of the United States,

and did receive, conceal, buy, sell, and facilitate the transportation, concealment, and sale of such merchandise, articles, and objects, prior to exportation, knowing the same to be intended for exportation contrary to a law and regulation of the United States, to wit, Title 18, United States Code, Section 554.

**Overt Acts**

11. The following overt acts, among others, were committed and caused to be committed, in the Southern District of New York and elsewhere, by PETER LIU, a/k/a "Kang Tai Liu," the defendant, and Yen Ching Peng, a/k/a "Yen-Po Peng," a/k/a "Alex Peng," together with others known and unknown, in furtherance of the conspiracy and to effect its object:

- a. On or about December 4, 2007, LIU, spoke over the telephone with an undercover agent (the "UC") in the Southern District of New York, and arranged to meet the UC to obtain a JHMCS fighter pilot's helmet;
- b. On or about December 6, 2007, LIU met in New York, New York with the UC to take possession of a JHMCS fighter pilot's helmet; and
- c. At various times relevant to this Information, LIU completed forms filed with United States Customs and Border Protection

containing false and misleading information about the nature of Munitions List items that he was shipping out of the United States to Peng in Taiwan.

(Title 18, United States Code, Section 371.)

**COUNTS TWO THROUGH FIVE**

**(Export Smuggling)**

The United States Attorney further charges:

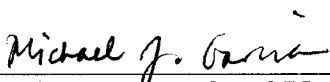
12. Paragraphs 1 through 8 and 11 of this Information are realleged and incorporated by reference as though fully set forth herein.

13. On or about the dates set forth below, in the Southern District of New York and elsewhere, PETER LIU, a/k/a "Kang Tai Liu," the defendant, unlawfully, wilfully, knowingly, and fraudulently did export and send, and attempt to export and send, from the United States, merchandise, articles, and objects contrary to a law and regulation of the United States, and did receive, conceal, buy, sell, and facilitate the transportation, concealment, and sale of such merchandise, articles, and objects, prior to exportation, knowing the same to be intended for exportation contrary to a law and regulation of the United States, to wit, LIU caused the customs declaration form accompanying each shipment of Munitions List items specified below to falsely misrepresent the contents and dollar value of

each shipment:

Count	Approx. Shipment Date	Munitions List Items
Two	March 7, 2007	Two AN/PEQ-2A infrared laser aiming devices
Three	October 17, 2007	One VITAL-2 infrared laser aiming device
Four	November 2007	Three AN/PEQ-2A infrared laser aiming devices
Five	December 5, 2007	One VITAL-2 and One ATILLA infrared laser aiming device

(Title 18, United States Code, Sections 554 and 2;  
39 C.F.R. Part 20; International Mail Manual Section 123.)

  
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MICHAEL J. GARCIA *MJA*  
United States Attorney

SI 07cr1214(RPP)

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PETER LIU  
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**INFORMATION**  
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MICHAEL J. GARCIA  
United States Attorney

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William J. Stellmach  
Assistant United States Attorney  
(212) 637-2101

4/15/08 - Defl. present w/ atty Quijano. Ct. Antepetto Brenda Chen (Mordain)  
present. Defl. appears & is arraigned on the information.  
Defl. enters plea of guilty to all five counts. Allocution  
Conducted, Court accepts plea. PSR is ordered, sentence  
is set for 7/17/08 at 4PM. PSR is ordered. Defl's bail  
is continued.

Patterson, J.